



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

Michael O. Leavitt
Governor

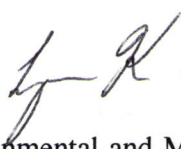
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March 6, 1995

TO: Minerals File

FROM: Lynn Kunzler, Reclamation Specialist 

RE: Meeting with Unico, Inc./SLC Environmental and Mineral Resources, Inc., Deer Trail Mines, S/031/003 and M/031/005, Piute County, Utah.

On March 6, 1995, Steve Evans of Unico, Inc./SLC Environmental and Elli M. A. Mills of Mineral Resources, Inc. met with Division Staff members Wayne Hedberg and Lynn Kunzler to discuss the last review for the Deer Trail Mine and why the Division had not received a response within the given timeframes.

Mr. Charles Shultz was originally handling the permitting of the Deer Trail Mine and has since severed relations with Unico. Mr. Evans and Mr. Lionel Koon were in Arizona unaware of the fact that Mr. Shultz had not responded to the Division's deficiency letter. The Division's latest communication was received by them on March 3, 1995, at which time they called to schedule this meeting.

Since the time of their last submittal in August of 1994, Unico has changed their plans on how the operation will be carried out. The proposed re-mining of the tailings (upper site on patented property) will be mined by Mineral Resources, Inc. Mr. Mills indicated that Minerals Resources intent is to set up a vat leach system (closed cyanide system) to recover the minerals from the old tailings. He requested a copy of the Division's rules and SMO form and intends to meet further with the Division on March 14, 1995 to discuss preliminary plans for this operation. The old Ecology Mining Co. permit area covering the PTL shaft and associated facilities and mine dump will be permitted by Unico. Unico intends to revise/resubmit an SMO describing their indented reopening of the underground mine.

This proposal apparently includes all of the existing disturbance and will divide the old Ecology Mining disturbance and the new disturbance created by Unico during 1994 into two separate operations, as described above. Both Mr. Evans and Mr. Mills indicated that they are coordinating their plans with the Forest Service and the DEQ. Mr. Evans also indicated that there is a proposal in with the Forest Service to trade the surface area owned by the Forest Service for patented property elsewhere owned by Unico.

Deertrail.lmk

